### AN ORDINANCE 2006-06-01-0644

AUTHORIZING THE EXECUTION OF A LEASE AGREEMENT WITH FRANCISCO A. ASENCIO d/b/a ACES & GSE ("ACES") FOR 1,920 SQUARE FEET OF CARGO SPACE LOCATED IN THE AIR CARGO BUILDING WEST, BAY 13, AT THE SAN ANTONIO INTERNATIONAL AIRPORT FOR A TERM OF 29 MONTHS, FOR AN ANNUAL RENTAL OF \$14,764.80.

WHEREAS, ACES, a tenant at San Antonio International Airport, is in the business of restoration and resale of used airport ground equipment for sale to various customers locally and in Mexico; and

WHEREAS, ACES has requested a lease for 1,920 square feet of Cargo Bay 13 at the Cargo West Building for parking, storage, maintenance and repair of ground service equipment and ground vehicles and to perform repairs to ground equipment purchased from airlines and fixed base operators for resale; and

WHEREAS, this new 29 month Lease Agreement will update Airport lease provisions, allow the tenant to continue its occupancy, will assure that the lease expiration coincides with other existing leases at this facility and, is deemed to be in the best interest of the City; and

WHEREAS, it is necessary to authorize the execution of the attached Lease Agreement for the use of the ground space described therein, at the San Antonio International Airport; NOW THEREFORE:

#### BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

**SECTION 1.** The City Manager or her designee is authorized to execute the San Antonio International Airport Lease Agreement with Francisco A. Asencio d/b/a ACES & GSE, which is attached hereto as Attachment 1, for use of the ground space described therein at the San Antonio International Airport.

**SECTION 2**. The proceeds of this Lease Agreement will be deposited into SAP Fund No. 51001000, entitled "Airport Operations" Internal Order 233000000004, entitled "Aviation Service Area" and General Ledger Account 4409016 entitled "Aviation Building Rental."

**SECTION 3.** The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocation to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers,

WHD/ldh 06/01/06 Item No. 20

SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAPCost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

**SECTION 4.** This Ordinance shall be effective on and after the tenth (10th) day after passage.

PASSED AND APPROVED this 1st day of June 2006.

MÁYOR

PHIL HARDBERGER

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

## **ATTACHMENT 1**

#### SAN ANTONIO INTERNATIONAL AIRPORT LEASE FOR LEASE SPACE AT AIR CARGO BUILDING WEST

STATE OF TEXAS	
COUNTY OF BEXAR	

THIS AGREEMENT, (hereinafter called the	"Lease Agreement"), entered into by and
between the CITY OF SAN ANTONIO, a Texas Mu	inicipal Corporation, acting by and through
its City Manager, pursuant to Ordinance No.	adopted on,
(hereinafter called "Lessor"), and FRANCISCO A.	ASENCIO, an individual who resides in
Bexar County, Texas, doing business as "ACES	& GSE" (hereinafter called "Lessee"),
WITNESSETH:	

#### 1. DESCRIPTION OF PREMISES DEMISED

1.1 Lessor, for and in consideration of the rents, covenants and promises herein contained to be kept, performed and observed by Lessee, does hereby demise and lease unto Lessee and Lessee does hereby accept from Lessor 1,920 square feet of cargo building space and improvements to include, Bay 13 of the Air Cargo Building West, located at 10000 John Saunders Road at the San Antonio International Airport, and more specifically shown in "Exhibit 2", which is attached hereto and made a part hereof by reference. ("Leased Premises")

#### 2. RENTAL

2.1 Lessee agrees to pay Lessor as rental, monthly in advance (without notice or demand, both of which are expressly waived) for the use and occupancy of the Leased Premises, at the times and in the manner hereinafter provided.

<b>Leased Premises</b>	Sq. Ft.	Annual Rate	Annual	Monthly
		Per Sq. Ft.	<b>Rental</b>	Rental
Warehouse Space	1,920	\$7.69	\$14,764.80	\$1,230.40

<sup>\*</sup> All Leased Premises in this table, regardless of categorization, are contained within Bays cited in Article 1 above.

2.2 Such rentals shall be subject to the adjustments in rental rates contained in Standard Provision 1, hereof.

- 2.3 All rentals shall be calculated on an annual basis and shall be paid by Lessee to Lessor in advance without invoicing, notice or demand, in equal monthly installments on or before the first day of each calendar month beginning on the Commencement Date and continuing throughout the remainder of the term of this Lease Agreement and any extension(s) hereof. In the event that the term of this Lease Agreement shall commence on a day other than the first day of any calendar month or expire on a day other than the last day of a calendar month, then, and in such event, rental installments will be prorated for the first or last month as the case may be.
- All rentals and payments that become due and payable by the Lessee shall be made to the City of San Antonio, Office of the Aviation Director, San Antonio International Airport, 9800 Airport Blvd., San Antonio, Bexar County, Texas. All rentals and payments unpaid for ten (10) days after the date due shall bear interest at the rate of ten percent (10%) per annum commencing thirty (30) days after the date each such payment was due.
- 2.5 It is the understanding of the parties that all improvements and/or modifications ("Improvements"), if any, to the Leased Premises, will be completed at the sole cost and expense of Lessee. The Improvements will be completed by Lessee only in accordance with plans and specifications to be developed by Lessee's consulting engineer/architect and approved by the Director, in accordance with Standard Provision 5, or as provided in Article 9. Special Provisions.

#### 3. TERM

3.1 This Lease Agreement shall commence on the eleventh (11<sup>th</sup>) calendar day after it is approved by the San Antonio City Council, or upon execution by both parties, whichever date is later, ("Commencement Date"), and shall terminate (unless otherwise earlier terminated under the provisions contained herein) at midnight October 31, 2008. The Leased Premises will at all times during the term of the Lease Agreement and any extension be subject to the provisions for recapture and/or earlier termination herein contained. In the event the term of this Lease shall commence on a day other than the first day of any calendar month or expire on a day other than the last day of a calendar month, then, and in such event, rental installments shall be prorated for the first and or last month as the case may be.

#### 4. USE OF PREMISES

4.1 The Premises shall be used for the purposes of parking, storage, maintenance and repair of ground service equipment and ground vehicles, as well as, general office uses related to and necessarily incidental to parking, storage, maintenance and repair of ground service equipment and ground vehicles. Any other use shall require the advance written approval of the Aviation Director.

#### 5. INDEMNIFICATION

5.1 **LESSEE** covenants and agrees to **FULLY INDEMNIFY** and **HOLD HARMLESS**, the **CITY** and the elected officials, employees, officers, directors, volunteers and representatives of the **CITY**, individually or collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury,

death and property damage, made upon the CITY directly or indirectly arising out of, resulting from or related to LESSEE's activities under this LEASE, including any acts or omissions of LESSEE, any agent, officer, director, representative, employee, consultant or subcontractor of LESSEE, and their respective officers, agents, employees, directors and representatives while in the exercise of performance of the rights or duties under this LEASE, all without however, the City waiving any governmental immunity available to the CITY under Texas Law and without waiving any defenses of the parties under Texas Law. IT IS FURTHER COVENANTED AND AGREED THAT SUCH INDEMNITY SHALL APPLY EVEN WHERE SUCH COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND/OR SUITS ARISE IN ANY PART FROM THE NEGLIGENCE OF CITY, THE ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS AND REPRESENTATIVES OF CITY, UNDER THIS LEASE. The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. LESSEE shall promptly advise the CITY in writing of any claim or demand against the CITY or LESSEE known to LESSEE related to or arising out of LESSEE's activities under this LEASE and shall see to the investigation and defense of such claim or demand at LESSEE's cost. The CITY shall have the right, at its option and at its own expense, to participate in such defense without relieving LESSEE of any of its obligations under this paragraph.

5.2 It is the EXPRESS INTENT of the parties to this LEASE, that the INDEMNITY provided for in this section (Section 5), is an INDEMNITY EXTENDED BY LESSEE TO INDEMNIFY, PROTECT AND HOLD HARMLESS, THE CITY FROM THE CONSEQUENCES OF THE CITY'S OWN NEGLIGENCE, PROVIDED HOWEVER, THAT THE INDEMNITY PROVIDED FOR IN THIS SECTION SHALL APPLY ONLY WHEN THE NEGLIGENT ACT OF THE CITY IS A CONTRIBUTORY CAUSE OF THE RESULTANT INJURY, DEATH, OR DAMAGE, AND SHALL HAVE NO APPLICATION WHEN THE NEGLIGENT ACT OF THE CITY IS THE SOLE CAUSE OF THE RESULTANT INJURY, DEATH, OR DAMAGE. LESSEE FURTHER AGREES TO DEFEND, AT ITS OWN EXPENSE AND ON BEHALF OF THE CITY AND IN THE NAME OF THE CITY, any claim or litigation brought against the CITY and its elected officials, employees, officers, directors, volunteers and representatives, in connection with any such injury, death, or damage for which this INDEMNITY shall apply, as set forth above.

#### 6. INSURANCE

- 6.1 Prior to occupancy of the Leased Premises and the conduct of any business thereupon, Lessee shall furnish original Certificates of Insurance to Lessor, which shall be completed by an agent authorized to bind the named underwriter(s) and their company to the coverage's, limits, and termination provisions shown thereon, and which shall furnish and contain all required information referenced or indicated thereon. Lessor shall have no duty to perform under this Lease Agreement until such certificates shall have been delivered to the Lessor, and no officer or employee shall have authority to waive this requirement.
- 6.2 Lessor reserves the right to review the insurance requirements of this section during the effective period of the Lease Agreement and any extension or renewal hereof and to modify

insurance coverage's and their limits when deemed necessary and prudent by the Lessor's Risk Manager based upon changes in statutory law or court decisions, but in no instance will Lessor allow modification whereupon Lessor may incur increased risk.

6.3 Lessee's financial integrity is of interest to Lessor, therefore, subject to Lessee's right to maintain reasonable deductibles in such amounts as are approved by Lessor, Lessee shall obtain and maintain in full force and effect for the duration of the Lease Agreement, and any extension hereof, at Lessee's sole expense, insurance coverage written by companies authorized and admitted to do business in the State of Texas and rated A or better by A.M. Best Company and/or otherwise acceptable to Lessor, in the following types and amounts:

#### **Type**

- (1) Worker's Compensation & Employer's Liability
- (2) Commercial General Liability Aviation Policy (with Hangar-keeper's Liability, if applicable)

Endorsements to include coverage for the following:

- (A) Premise/Operations
- (B) Independent Contractors (if any)
- (C) Personal Injury
- (D) Contractual Liability
- (E) Broad Form Property Damage to include Fire and Legal Liability
- (F) Products/ Completed Operations (if any)
- (3) Property Insurance for physical damage to the Lessee's improvements and betterments to the Leased Premises
- (4) Automobile Liability (any auto)
- (5) Plate Glass Coverage for Leased Premises (if applicable)
- (6) Above Ground and/or Underground Storage Tank Storage Tank Liability (if applicable)
- (7) Aircraft Liability (if applicable)

#### **Amount**

Statutory \$1,000,000/\$1,000,000 Combined Single Limit for Bodily Injury and Property Damage of \$5,000,000.00 per occurrence or its equivalent with an aggregate of not less than \$5,000,000.00

Replacement Cost Coverage or Eighty percent (80%) of Actual Cash Value Coverage

Combined Single Limit for Bodily Injury and Property Damage of \$5,000,000.00 per occurrence or its equivalent.

Replacement Cost Coverage

\$10,000,000.00 per claim.

\$10,000,000.00 per occurrence, combined single limit, written on an occurrence form.

6.4 Lessor shall be entitled, upon request and without expense, to receive copies of the policies and all endorsements thereto as they apply to the limits required by Lessor, and may make a reasonable request for deletion, revision, or modification of particular policy terms,

conditions, limitations or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). Upon such request buy Lessor, the Lessee shall exercise reasonable efforts to accomplish such changes in policy coverage's, and shall pay the cost thereof.

- 6.5 Lessee agrees that with respect to the above required insurance, all insurance contracts and Certificate(s) of Insurance will contain the following required provisions.
- A. Name Lessor and its officers, employees, agents and elected representatives as <u>additional insured</u> (as the interest of each insured may appear), as to all applicable coverage, with the exception of the worker's compensation and employer's liability policy;
- B. Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where Lessor is an additional insured shown on the policy;
- C. Worker's compensation and employer's liability policy will provide a waiver of subrogation in favor of Lessor.
- 6.6 Lessee shall notify Lessor in the event of any notice of cancellation, non-renewal or material change in coverage and shall give such notices not less than thirty (30) days prior to the change, which notice must be accompanied by a replacement Certificate of Insurance. All notice shall be given to the Lessor by Certified Mail at the following addresses:

Aviation Director CITY OF SAN ANTONIO 9800 Airport Blvd. San Antonio, Texas 78216-9990

- 6.7 The proceeds for any such insurance, paid on account of fire, explosion or other damage shall be used to defray the cost of repairing, restoring or reconstructing said improvements, as necessary.
- 6.8 It is expressly understood and agreed that all operations of Lessee under this Lease Agreement between Lessor and Lessee shall be covered by such policies of insurance or self insurance as approved by Lessor's Risk Manager and that all personal property placed in the Leased Premises shall be at the sole risk of Lessee. The procuring of policies of insurance shall not be construed to be a limitation upon Lessee's liability or as a full performance on its part of the indemnification provisions of this contract. Lessee's obligations are notwithstanding said policy of insurance, for the full and total amount of and damage, injury or loss caused by or attributable to its activities conducted at or upon the Airport.

#### 7. PERFORMANCE GUARANTEE

7.1 Lessee shall deliver to the Director on or before the execution of this Lease Agreement and shall keep in force throughout the term hereof either an irrevocable letter of credit in favor of Lessor drawn upon a bank satisfactory to Lessor or a surety bond payable to Lessor. The foregoing shall be in form and content satisfactory to Lessor, shall be conditioned on satisfactory performance of all terms, conditions and covenants contained herein during the term hereof and shall stand as security for payment by Lessee of all valid claims by Lessor hereunder. If a bond shall be delivered, it shall be issued by a sound indemnity company authorized to do business in Texas. The amount of the irrevocable letter of credit or surety bond to be delivered by Lessee to the Director on or before the date of the Agreement shall be SEVEN THOUSAND-FOUR HUNDRED AND NO/100 DOLLARS (\$7,400.00). The amount of the irrevocable letter of credit or surety bond shall be adjusted as necessary so that such amount shall at all times equal at least one-half the total annual rental payable by Lessee to Lessor hereunder.

#### 8. STANDARD PROVISIONS AND COVENANTS

8.1 The Standard Provisions and Covenants set forth in "Exhibit 1", attached hereto, are incorporated herein by reference and made a part hereof.

#### 9. SPECIAL PROVISIONS

- 9.1 Recapture, Relocation, Adjustment, Reconfiguration, Enlargement or Reduction. The parties hereto agree and recognize that lease space in the Air Cargo Building West and associated Ramp Space leased herein, is in high demand, and that Lessor must retain the right to allot such space in a manner deemed by Lessor, in its sole judgment, necessary to maximize the usage of and allotment of such space. Lessee may at any time request additional space to be added to the Leased Premises at the prevailing rental rate for such premises. Approval of such addition will be contingent upon the determination of the Aviation Director in his sole discretion, that suitable space is available. Should such ground space be added, then any such additional leased space, shall be subject to recapture, reallocation, reconfiguration, enlargement or reduction at the prevailing applicable rental rate at the Airport for such space, and shall be subject to the terms and conditions of this Lease. Such recapture, reallocation, reconfiguration, enlargement or reduction shall be at the sole discretion of the Lessor, acting by and through its Aviation Director, as he, in his sole discretion deems necessary. In the event that such recapture, relocation, adjustment, reconfiguration, enlargement or reduction is deemed necessary, Lessor shall provide Lessee thirty (30) days written notice of such need.
- 9.2 Relocation or Transfer In Event of New Cargo Facility. In the event a new Cargo Facility is constructed or becomes available at San Antonio International Airport, and Lessee is offered the opportunity to relocate or transfer its cargo operations to such new facility, Lessee agrees that within ninety (90) days after being offered the opportunity to relocate or transfer its cargo operations to such new facility it will elect to either: (a) relocate or transfer its cargo operations to such new facility at such rental rates and under such conditions as shall be reasonably established by Lessor; or (b) cease all cargo operations within the Leased Premises and vacate the Leased Premises.
- 9.3 <u>Relocation or Transfer In Event of New Ground Maintenance Service Equipment Facility</u>. The Parties recognize and agree that the primary purpose of the Air Cargo Building

West is for storage and handling of air freight and air mail and that the maintenance of ground service equipment has been permitted therein as an accommodation to Lessee. In the event that Lessee performs maintenance of ground service equipment within the Leased Premises, and a Ground Maintenance Service Equipment Facility is constructed or becomes available at San Antonio International Airport, Lessee agrees that within ninety (90) days after being apprised in writing that such new facility is available for occupancy, it will elect to either: (a) transfer its ground service equipment maintenance operations to such new facility at such rental rates and under such conditions as shall be reasonably established by Lessor; or (b) cease all ground service equipment maintenance operations within the Leased Premises and vacate the Leased Premises.

- 9.4 <u>Written Memorialization Required.</u> Should any recapture, relocation, adjustment, reconfiguration, enlargement or reduction, or transfer, be necessary as a result of the events described in Sections 9.1, 9.2, or 9.3 above, a written document shall be executed between Lessee and Lessor, acting by and through its Aviation Director, which reflects the changes as a result of the recapture, relocation, adjustment, reconfiguration, enlargement or reduction of the Leased Premises or Leased Ramp Space, and the terms related thereto. Such writing upon execution thereof by Lessee and the Director, and approval by City Council, shall be filed of record with the City Clerk and shall automatically become a part of this Lease Agreement.
- 9.5 <u>Certificate of Occupancy</u>. It is the express agreement of the parties that Lessee at Lessee's sole cost and expense will obtain within applicable time limits any required building permits and if Lessee has not provided the City with a Certificate of Occupancy, Lessee shall deliver any such building permits and Certificates of Occupancy therefore to the Director prior to any construction or occupancy of any building premises.
- 9.6 If Lessor, acting by and through the Aviation Director, subsequent to the Commencement Date of this Lease Agreement, determines in its sole judgment, that it is reasonable and necessary to apportion the common area parking space on the street side of the Air Cargo Building West ("Common Parking Area"), and/or to provide a parking attendant to control ingress and egress to the street side of the Air Cargo Building West, the Aviation Director, acting on behalf of Lessor, may apportion such Common Parking Area, and/or to provide for controlled access at Lessee's expense. Lessee agrees that it shall pay additional rental costs and charges allocated to it in the reasonable discretion of the Aviation Director for parking in such Common Parking Area. Such additional rental costs shall be apportioned based on the number of cargo bays leased by Lessee bears to the total number of cargo bays contained in the Air Cargo Building West.

EXECUTED THIS THE	day of	2006.
ATTEST:	CITY OF SAN ANTONIO, Lessor	
	By: Sheryl Sculley, City Manager	
ATTEST:	ACES & GSE, Lessee	
	By:FRANCISCO A. ASENCIO, Owner	
APPROVED:		
City Attorney	Mailing Address	
	Federal Tax I.D. Number	

Agendaitem # 20

# CITY OF SAN ANTONIO AVIATION DEPARTMENT CITY COUNCIL AGENDA MEMORANDUM

TO:

Sheryl Sculley, City Manager

FROM:

Mark H. Webb, Interim Aviation Director

SUBJECT:

Lease Agreement with Francisco A. Asencio d/b/a ACES & GSE

DATE:

June 1, 2006

#### SUMMARY AND RECOMMENDATIONS

An ordinance authorizing the execution of a Lease Agreement with Francisco A. Asencio d/b/a ACES & GSE for 1,920 square foot of cargo space at the Air Cargo Building West, Bay 13, at San Antonio International Airport, for a term of 29 months, for an annual rental of \$14,764.80.

Staff recommends approval of this ordinance.

#### **BACKGROUND INFORMATION**

ACES, a tenant at the airport since 2004 that employs 2 individuals, restores and resells ground equipment. The leased cargo space is used to perform minor repairs to ground equipment purchased from airlines and fixed base operators. The repaired equipment is then sold to various customers locally and in Mexico.

The term of the Lease is for a period of 29 months commencing on June 1, 2006 through October 31, 2008 which coincides with other existing Leases at this facility. The rental rate is the established rate for these bays and is based on market rates of comparable facilities around the San Antonio International Airport.

The Lease Agreement contains current airport standard provisions including those concerning security, insurance indemnification and performance guarantee

#### **POLICY ANALYSIS**

This ordinance is consistent with City Council policy to generate revenue through the leasing of City-owned property.

#### FISCAL IMPACT

Currently, the annual revenue generated by this property is \$7,200.00. Under the terms of this Lease, ACES will pay an additional \$7,564.80 annually for the space based on the market rates of comparable facilities around the San Antonio International Airport. The approval of this Lease will result in total annual revenue of \$14,764.80 generated under the new Lease. Annual revenue is detailed below.

Premises	Sq. Ft.	Annual Rate per Sq. Ft.	Annual Rental	Monthly Rental
Lease Space	1,920	\$7.69	\$14,764.80	\$ 1,236.40

#### **COORDINATION**

This item has been coordinated with the following departments: Asset Management, Finance, Management and Budget, and the City Attorney's Office.

#### **SUPPLEMENTAL COMMENTS**

The Discretionary Contracts Disclosure Form completed by Lessee is attached.

Mark H. Webb

Interim Aviation Director

Roland A/Lozano

Assistant to the City Manager

Approved for Council Consideration:

Sheryl Sculley

## City of San Antonio Discretionary Contracts Disclosure

Discretionary Contracts Disclosure

For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)

Attach additional sheets if space provided is not sufficient.

(1) Identify any individual or business entity that is a party to the discretionary contract:
NA
(2) Identify any individual or business entity which is a partner, parent or subsidiary business entity, of any individual or business entity identified above in Box (1):
No partner, parent or subsidiary; <i>or</i>
List partner, parent or subsidiary of each party to the contract and identify the corresponding party:
N/A
(3) Identify any individual or business entity that would be a <i>subcontractor</i> on the discretionary contract.
No subcontractor(s); <i>or</i>
List subcontractors:
(4) Identify any <i>lobbyist</i> or <i>public relations firm</i> employed by any party to the discretionary contract for purposes related to seeking the discretionary contract.
No lobbyist or public relations firm employed; or
List lobbyists or public relations firms:

<sup>&</sup>lt;sup>1</sup> A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law. A sole proprietor should list the name of the individual and the d/b/a, if any.

four (24) months made to Council, or to any political	s as totaling one hundred dollars ( any current or former member of action committee that contribute ity whose identity must be disc	of City Council, any ites to City Counci	candidate for City lelections, by any
above, or by the officers, o	wners of any business entity list	red in Box (1), (2) o	
No contributions made:	; If contributions made, list belo	w:	<u> </u>
By Whom Made:	To Whom Made:	Amount:	Date of

By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
,			
WA			
10/11			
			<u> </u>

(6) Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city must disclose any known facts which, reasonably understood, raise a question2 as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code), ("conflicts of interest") by participating in official action relating to the discretionary contract.

Party not aware of facts which would raise a "conflicts-of-interest" issue under Section 2-43 of the City Code; or

Party aware of the following facts:

Transmit Melrenal

This form is required to be supplemented in the event there is any change in the information before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed, whichever occurs first.

Signature:

Title: OWNER

Company or D/B/A:

Date: 05 - 04 - 06

<sup>&</sup>lt;sup>2</sup> For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.